

MuckRock News
DEPT MR 73922
411A Highland Ave
Somerville, MA 02144-2516
73922-58466472@requests.muckrock.com

Lincoln County Sheriff's Office
North Carolina Public Records Law Office
700 John Howel Memorial Dr,
Lincolnton, NC 28092

May 28, 2019

To Whom It May Concern:

Pursuant to the North Carolina Public Records Law, I hereby request the following records:

Contracts and invoices related to the use of communication services at any and all correctional or detention facility locations under the jurisdiction of this agency. This may encompass money transfer, commissary transactions, telecommunication, email, kiosk, video visitation, and mobile tablet services.

Please provide the following relevant materials.

1. Procurement: Any and all open or active Requests for Proposal or similar solicitations regarding the provision, installation, maintenance, or use of communication services (including those related to money transfer, telecommunication, email, kiosk, video visitation, and mobile tablet services). If available or applicable, please provide equivalent materials for video conferencing equipment and other electronic communication and telecommunication services.
2. Contracts and agreements: Any and all active contracts regarding the provision, installation, maintenance, financial requirements, associated commissions, or use of communication services (including money transfer, telecommunication, email, kiosk, video visitation, and mobile tablet services). Please include all associated supplemental materials, including any and all attachments, amendments, and exhibits. Please provide any other materials regarding the terms of service, including the term and expiration date of the current contract, as well as any optional contract extensions. Please include the name of the current telecommunication provider, as well as the services currently being provided pursuant to the agreement. Relevant companies include, but are not limited to, CenturyLink, City Tele Coin, ICSolutions, JPay, and Securus Technologies.
3. Finance records: Any and all financial reports, commission reports, revenue reports, and invoices related to the provision, installation, maintenance, or use of communication services (including money transfer, telecommunication, email, kiosk, video visitation, and mobile tablet services). Please include all usage and fee reports, providing as much segregable data as possible, including, but not limited to, the rate at which the funds were generated, the revenue generated for each service, the timeframe during which the funds were generated, the nature of the communication's payment (collect, prepaid, inmate account), etc. If available, please also provide equivalent materials for video conferencing equipment and other electronic communication and telecommunication services.

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4: Policies: Any and all policies related to the use of telecommunication services or any other services provided by companies relevant to parts 1, 2, and/or 3 of this request. Please include all policies regarding the appropriate manner in which inmates may use these services, including those related to the transfer of funds for costs related to these services and restrictions on or requirements for use of these services. If any responsive policies have gone into effect since January 1, 2016, please provide notes and communications regarding this policy change or adjustment.

Please provide all responsive materials and invoices for the period January 1, 2015 through the date this request is processed.

I am happy to discuss the scope of this request. If this is necessary, please feel free to contact me at this email address for a time to speak on the phone.

The requested documents will be made available to the general public, and this request is not being made for commercial purposes.

In the event that there are fees, I would be grateful if you would inform me of the total charges in advance of fulfilling my request. I would prefer the request filled electronically, by e-mail attachment if available or CD-ROM if not.

Thank you in advance for your anticipated cooperation in this matter. I look forward to receiving your response to this request within 10 business days.

Sincerely,

Beryl Lipton

Filed via MuckRock.com
E-mail (Preferred): 73922-58466472@requests.muckrock.com

For mailed responses, please address (see note):

MuckRock News
DEPT MR 73922
411A Highland Ave
Somerville, MA 02144-2516

PLEASE NOTE: This request was filed by a MuckRock staff reporter. Also note that improperly addressed (i.e., with the requester's name rather than "MuckRock News" and the department number) requests might be returned as undeliverable.

Page 1 of 4

OLD SYSTEM

SYSTEM

11718

Access Corrections					

Totals For Access Corrections					
Adds :	4,499	\$149,947.42	Voids :	0	\$0.00
Reimbursements :	291	\$149,807.42	Reimbursement Voids :	0	\$0.00
Cobra Cashier					

Total Reimbursements :	101	\$220,782.50	Total Cash Voids :	0	\$0.00

Totals For Station # 1	Adds :	0	\$0.00	Voids :	0
Reimbursements :	101	\$220,782.50	Reimbursement Voids :	0	\$0.00

Total Cash Adds :	5,977	\$204,311.25	Total Cash Voids :	0	\$0.00

Total Credit Card Adds :	432	\$14,826.90	Total Credit Card Voids :	0	\$0.00

Totals For Station # 16	Adds :	6,409	\$219,138.15	Voids :	0
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

Total Cash Adds :	3,998	\$218,336.85	Total Cash Voids :	0	\$0.00

Totals For Station # 20	Adds :	3,998	\$218,336.85	Voids :	0
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

Totals For Cobra Cashier					

Adds :	10,407	\$437,475.00	Voids :	0	\$0.00
Reimbursements :	101	\$220,782.50	Reimbursement Voids :	0	\$0.00
Court Money					

REMOTE DEPOSITS REPORT

Lincoln County Sheriff's Office

06/12/2019 16:15

ST 038 | OPR SRC

Summary/Detail: Summary

Time Frame : 01/01/2015 00:00 - 02/28/2018 23:59

Totals For Court Money

Adds :	1,570	\$59,133.90	Voids :	0	\$0.00
Reimbursements :	95	\$59,548.90	Reimbursement Voids :	0	\$0.00

GPS

Totals For GPS

Adds :	580	\$24,001.85	Voids :	0	\$0.00
Reimbursements :	88	\$24,111.85	Reimbursement Voids :	0	\$0.00

K-Cobra Cashier

Total Reimbursements :	26	\$56,848.00	Total Cash Voids :	0	\$0.00
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Totals For Station # 1	Adds :	0	\$0.00	Voids :	0	\$0.00
	Reimbursements :	26	\$56,848.00	Reimbursement Voids :	0	\$0.00

Total Cash Adds :	1,557	\$56,848.00	Total Cash Voids :	0	\$0.00
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Totals For Station # 16	Adds :	1,557	\$56,848.00	Voids :	0	\$0.00
	Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

Totals For K-Cobra Cashier

Adds :	1,557	\$56,848.00	Voids :	0	\$0.00
Reimbursements :	26	\$56,848.00	Reimbursement Voids :	0	\$0.00

K-Trinity

REMOTE DEPOSITS REPORT

Lincoln County Sheriff's Office

06/12/2019 16:15

ST 038 | OPR SRC

Summary/Detail: Summary

Time Frame : 01/01/2015 00:00 - 02/28/2018 23:59

Totals For K-Trinity

Adds :	1,201	\$43,450.00	Voids :	0	\$0.00
Reimbursements :	49	\$43,450.00	Reimbursement Voids :	0	\$0.00

Keefe

Totals For Keefe

Adds :	330	\$13,200.03	Voids :	0	\$0.00
Reimbursements :	24	\$13,200.03	Reimbursement Voids :	0	\$0.00

Money Gram

Totals For Money Gram

Adds :	1	\$50.00	Voids :	0	\$0.00
Reimbursements :	1	\$50.00	Reimbursement Voids :	0	\$0.00

ST Cashier

Total Cash Adds :	3	\$1.07	Total Cash Voids :	1	\$0.00
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Totals For Station # 8

Adds :	3	\$1.07	Voids :	1	\$10.00
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

Total Cash Adds :	16	\$459.08	Total Cash Voids :	0	\$0.00
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Totals For Station # 20

Adds :	16	\$459.08	Voids :	0	\$0.00
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

REMOTE DEPOSITS REPORT

Lincoln County Sheriff's Office

06/12/2019 16:15

ST 038 | OPR SRC

Summary/Detail: Summary

Time Frame : 01/01/2015 00:00 - 02/28/2018 23:59

Totals For ST Cashier					
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00
Adds :	19	\$460.15	Voids :	1	\$10.00
Trinity					
Totals For Trinity					
Reimbursements :	69	\$18,020.00	Reimbursement Voids :	0	\$0.00
Adds :	528	\$18,020.00	Voids :	0	\$0.00
Totals For ALL					
Reimbursements :	744	\$585,818.70	Reimbursement Voids :	0	\$0.00
Adds :	20,692	\$802,586.35	Voids :	1	\$10.00

REMOTE DEPOSITS REPORT

Lincoln County Sheriff's Office

06/12/2019 16:16

ST 038 | OPR SRC

Summary/Detail: Summary

Time Frame : 03/01/2018 00:00 - 05/28/2019 23:59

NEW
SYSTEM

Access Corrections

Totals For Access Corrections

Adds :	8,691	\$307,646.81	Voids :	0	\$0.00
Reimbursements :	454	\$307,448.76	Reimbursement Voids :	0	\$0.00

Cobra Cashier

Total Cash Adds :	1,464	\$94,491.39	Total Cash Voids :	0	\$0.00
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Totals For Station # 28

Adds :	1,464	\$94,491.39	Voids :	0	\$0.00
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

Totals For Cobra Cashier

Adds :	1,464	\$94,491.39	Voids :	0	\$0.00
Reimbursements :	0	\$0.00	Reimbursement Voids :	0	\$0.00

Keefe

Totals For Keefe

Adds :	0	\$0.00	Voids :	0	\$0.00
Reimbursements :	1	\$60.00	Reimbursement Voids :	0	\$0.00

Totals For ALL

Adds :	10,155	\$402,138.20	Voids :	0	\$0.00
Reimbursements :	455	\$307,508.76	Reimbursement Voids :	0	\$0.00

ICSOLUTIONS REVENUE	\$8,045.00	1/1/2018-CURRENT
SWANSON COMMISSARY SALES	\$418,075.38	1/1/2015-CURRENT
PAYTEL PHONE SALES	\$275,237.00	1/1/2015-CURRENT
E-NOTEZ	\$15,462.00	1/1/2015-CURRENT

Agreement for Secure Release™ Prepaid Debit Card Release

THIS AGREEMENT FOR DISTRIBUTION OF PREPAID DEBIT CARDS ("Agreement") is entered into as of the _____ day of _____, 20____ ("Effective Date") by and between Keefe Commissary Network, L.L.C. d/b/a Access Corrections ("KCN"), located at 10880 Linpage Place, St. Louis Missouri 63132 and the Lincoln County Sheriff's Office, located at 700 John Howell Memorial Drive, Lincolnton, NC 28093, ("Client").

WHEREAS, KCN, a solution provider for the correctional market, coordinates inmate trust fund release services for correctional facilities via a third party's provision of prepaid debit cards;

WHEREAS, Client desires to coordinate **Secure Release™** inmate trust fund release services at the above mentioned correctional facility (the "Services") as defined further hereunder;

WHEREAS, Both parties, intending to be legally bound, hereby agree as follows:

1. **Term.** This Agreement shall be effective as of the Effective Date and shall continue for an initial term of five (5) years. Thereafter, this Agreement shall automatically renew for successive terms of one (1) year unless either party provides the other party with written notice of its desire not to renew at least thirty (30) days prior to a scheduled renewal.
2. **Services.** KCN shall provide technical support and coordination for the following release Services for processing inmate trust fund balances to Client inmates at time of release from the Client:

Prepaid Debit Cards ("Cards"): described as, a debit card which may be used for ATM withdraws and/or pin-based and signature purchases after inmate activation. The Cards will be issued by and the funds will be held by Cache Valley Bank in Logan, Utah. All transactions are processed by a third-party processor - Rapid Financial Solutions.

* Additional Release Services may be made available to the Client throughout the term of this Agreement and shall become part of this Agreement with the Client's acceptance. No Release Services shall be implemented without Client approval. Another Card Brand, Issuing Bank or Program Manager may be substituted during the term of this agreement at KCN's discretion and shall not constitute an "Additional Release Service." The Client will be notified in writing of any such change.

3. **Maintenance of Designated Account.** Client agrees to maintain an account at the following bank ("Designated Account") from which funds will be withdrawn by KCN and sent to Cache Valley Bank, which issues the Cards:

Bank Name: _____

Bank Address: _____

Routing Number: _____

Account Number: _____

Bank Contact Name and Title: _____

Bank Contact Phone Number: _____

4. **Authorization to Withdraw Funds from Designated Account.** Client hereby authorizes KCN to withdraw funds from the Designated Account without signature or notice to effect all deductions and other transactions due KCN provided for in this Agreement. KCN shall notify Client if at any time there are insufficient funds in the Designated Account to cover any amount that is due and owing to KCN. Client shall promptly pay such amount to KCN. KCN will withdraw funds from the Designated Account every business day to cover the funds necessary to issue the Cards.

This authorization is to remain in full force and effect until KCN has received written notification from Client of its termination in such time and in such manner as to afford KCN and the Bank named above reasonable opportunity to act on it. Client shall give KCN no less than three banking business days notice if the Designated Account is to be changed so as to allow enough time for KCN to make the necessary system modifications.

5. **Responsibilities of the Client.** All responsibilities of the Client are outlined in the attached "Security Requirements for the Storage of Prepaid Cards", "Exhibit A" of this Agreement. KCN reserves the right to modify "Security Requirements for the Storage of Prepaid Cards", "Exhibit A" of this Agreement. KCN shall notify the Client of any such change in writing.
6. **Representation and Warranty of Client.** Client represents and warrants that it is lawful in its respective jurisdiction of Lincoln County, North Carolina, to provide the Services as detailed in this Agreement, including, but not limited to, charging the inmates a fee for the Services.
7. **Fees and Charges.** KCN shall charge a fee for its role in setting up the bank account with the bank issuing the Cards and for coordinating third party processing services. "Coordination Fees" are in accordance with the fee structure located in "Exhibit C". All fees shall be assessed to the card holder/inmate.
8. **Taxes.** Each party shall be responsible for calculating, collecting and remitting their own Federal, state and/or local taxes, associated with the release services.
***Taxes should not be levied on the issuance of a Card unless Client's laws dictate such.**
9. **Equipment.** Upon expiration or termination of this Agreement, Client agrees that all equipment and materials remain the property of KCN and upon expiration or termination of this Agreement KCN agrees to promptly remove all equipment and materials from the above mentioned Client. Client shall be responsible for any unusual wear and tear, lost or stolen equipment as well as any lost, stolen or improperly funded Cards during the term of this Agreement as per "Exhibit A" of this Agreement.
10. **Confidentiality.** KCN agrees to keep all information about inmates confidential and to make no disclosure thereof to any third party, except as may otherwise be required by law. KCN agrees to give Client prompt notice of any such disclosure.
11. **Exclusivity.** Client acknowledges that based on this Agreement, KCN has the sole and exclusive right and authority to provide the services contemplated by this Agreement for all inmate accounts under the Client's control and Client shall not, throughout the term of the Agreement, engage the services of any other company to provide such services.
12. **Compliance.** KCN and the Client shall comply with all laws, orders, rules and regulations applicable to it that are associated with the performance of its duties and obligations under this Agreement and as stated in "Exhibit A and Exhibit B" of this Agreement. In addition, without in any way limiting the foregoing, KCN shall comply with the E-Verify provisions of N.C.G.S. §143-133.3, as may hereafter be amended.
13. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of North Carolina.
14. **Fiduciary Responsibility.** Client agrees that it shall, to the full extent allowed by law, assume all liability for any Client related job functions that lead to discrepancies/deficiencies associated with any funding, Card loss, improper storage, etc. expressly attributed to the loading, inventorying and distribution of the Cards to the Client inmates.
15. **Indemnification.** Each party shall indemnify and hold the officers, directors, agents, employees, representatives, subsidiaries, parent company, affiliates, and customers harmless for any losses, claims,

damages, awards, penalties, or injuries incurred by any third party, including reasonable attorney's fees, which arise from any alleged breach of such indemnifying party's representations and warranties made under this Agreement, provided that the indemnifying party is promptly notified of any such claims. The indemnifying party shall have the sole right to defend such claims at its own expense. The other party shall provide, at the indemnifying party's expense, such assistance in investigating and defending such claims as the indemnifying party may reasonably request. This indemnity shall survive the termination of this Agreement.

16. **Force Majeure.** Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.
17. **Termination.** In the event that either party believes that the other party has materially breached any obligations under this Agreement, or if either party believes that the other party has exceeded the scope of the Agreement, such party shall so notify the breaching party in writing. The breaching party shall have 30 days from the receipt of notice to cure the alleged breach and to notify the non-breaching party in writing that cure has been effected. If the breach is not cured within the 30 days, the non-breaching party shall have the right to terminate the Agreement without further notice. KCN reserves the right to terminate this Agreement if the Client, or its representatives' actions, breach the Clients responsibilities listed in this Agreement including all Attachments and Exhibits.
18. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written.
19. **Assignment.** This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors of interest, except that Client may not assign this Agreement to any person or entity without the written consent of KCN.
20. **Notices.** All notices given pursuant to this Agreement shall be in writing and may be hand delivered, or shall be deemed received within 10 days after mailing if sent by registered or certified mail, return receipt requested. If any notice is sent by facsimile or email, confirmation copies must be sent by mail or hand delivery to the addresses listed above.

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective, duly authorized representatives as of the date first above written.

Keefe Commissary Network, L.L.C.

Client

SIGNATURE: _____

SIGNATURE: _____

PRINT NAME: _____

PRINT NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

Exhibit A
Security Requirements for the Storage of Prepaid Cards

The security requirements in this document are based on policies and guidelines developed by the Payment Networks and industry best practices. These requirements must be implemented at all locations that store and distribute instant-issue card products.

Card Ordering

Card orders will be shipped to the designated locations by Rapid or its assignees by bonded and approved carrier. Card orders must be signed for upon arrival. All cards must be placed at the time of receipt into inventory in a secured storage area. An employee designated by management should be appointed to ensure the physical and procedural security policies are implemented.

Card Inventory

Physical security of the cards in inventory must be maintained at all times. Cards must be stored in a controlled environment, such as a safe or locked storage device, with access limited to employees who have successfully passed background screening checks.

An inventory log must account for the number of cards received, cards used, cards spoiled (cards that cannot be used due to damage, tampering or expiration) and remaining cards that should balance to the number of cards on hand at any time. An explanation of spoilage should be included on the log. Any inventory discrepancy must be reported to Rapid as soon as detected.

Card Destruction

Rapid may request return of unused cards in inventory for destruction for any of the reasons listed below.

1. Cards are compromised or tampered with;
2. Card stock expired;
3. Cards are damaged or defective;
4. Program is terminated.

Cards to be returned should be securely packaged. A copy of the inventory log should be included in the shipment. A second copy of the inventory log should be transmitted to Rapid electronically.

Alternatively, the location may destroy any defective or damaged card and certify its destruction by maintaining a detailed inventory log, and destroying the cards using a cross cut shredder that creates pieces no larger than ¼ " by ½" in size. A certified report of destruction outlined in Exhibit B, attached hereto and incorporated herein by this reference must be submitted to Rapid on a monthly cycle even if no cards were destroyed in that period.

The remainder of this page intentionally left blank.

Exhibit B
Certificate of Destruction of Defective or Damaged Cards

I _____ certify that the cards listed below were either damaged or defective. I further certify that the cards below were destroyed using a cross cut shredder that created pieces no larger than ¼ " by ½" in size.

[illegible]

Exhibit C

Inmate Release Card Program Fees

Cardholder Fees Associated with the Inmate Release Program

	Charge
Card Activation Fee	FREE
Support Calls Fee	FREE
PIN Change Fee	FREE
Point of Sale (POS) Transactions (PIN & Signature)	FREE
Cash Back Option with POS purchase	FREE
POS Declines	FREE
Card to Bank ACH Transfer****	FREE
Cash Out at any Principal MasterCard Member Institution	FREE
Weekly Maintenance Fee*	\$2.50
ATM Account Inquiry Fee	\$1.50
Inactivity Fee**	\$2.00
Domestic ATM Fees***	\$2.95
ATM Decline for Non-Sufficient Funds Fee	\$2.95
International ATM Fees***	\$3.95
ATM Decline International Fee	\$3.95
Replacement of lost or stolen card	\$10.00
Account Closure Fee/Request for Balance by Check	\$10.00

* After 3 days / 72 hours of issuance the card starts incurring weekly maintenance fees to cover the cost of the FDIC insured account.

**After 90 days of no activity.

***Fees may also be imposed by the local ATM provider in addition to card fees. For a listing of surcharge-free ATM's, visit <http://www.moneypass.com/>.

****Returned or rejected ACH transfers for invalid banking information are subject to a \$9.95 returned processing fee.

*****Cardholder fees are subject to change. Thirty (30) day prior written notice of a change in fees will be given. The changes will be posted on the Card website at www.accessfreedomcard.com. You will be deemed to have proper notice thirty days (30) after the amendments are posted.

Customer Service / Servicio Al Clientes:
Toll Free from U.S.A. – (888) 609-0008
www.accessfreedomcard.com

PAYMENT SERVICES AGREEMENT

THIS PAYMENT SERVICES AGREEMENT ("Agreement") is entered into by and between the Lincoln County Sheriff's Office, located at 700 John Howell Memorial Drive, Lincolnton, NC 28093, ("**Client**") and Keefe Commissary Network, LLC d/b/a Access Corrections, a Missouri limited liability company with its principal place of business located at 10880 Lin Page Place, St. Louis, Missouri 63132 ("**KCN**"). The Client and KCN are referred to herein individually as Party and collectively as the Parties.

WHEREAS, the Client desires to add certain cash handling and payment processing services offered by KCN; and

WHEREAS, the Parties desire to memorialize herein their respective obligations in regard to the provision of payment processing services.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements expressed herein, the receipt and sufficiency of which are acknowledged, the Parties, intending to be legally bound by the terms stated in this Agreement, do agree as follows:

- 1. Services.** KCN will provide cash handling services and payment processing services for payments made through kiosks, walk-in retailers, online websites and/or mobile sites, call centers or applications operated by KCN or such other methods ("**Transactions**") for crediting account balances held by Client on behalf of the recipients of funds (the "**Services**"). KCN provides the Services in its capacity as a licensed money services business. KCN represents and warrants to Client that KCN is duly licensed to provide the Services and will do so in compliance with applicable laws and regulations.
- 2. Authorization.** By executing this Agreement, Client authorizes KCN to act on its behalf in handling cash and to submit Transactions initiated by individuals through the Services to the credit card networks or otherwise for authorization, processing and settlement to Client for the benefit of designated recipients.
- 3. Responsibilities of KCN.**
 - a. KCN will receive payments from the public, directed to recipients by way of the Services.
 - b. KCN will transfer payment files to Client on a daily basis. KCN will deliver payments to Client by the second business day following (but not including) the day of the transaction by means of an electronic funds transfer ("**EFT**") to Client's designated bank account; provided, however, KCN, in its sole discretion, reserves the right to delay its acceptance of any transaction that KCN determines to be suspicious and warrants further investigation. Client acknowledges and agrees that KCN may terminate/cancel any proposed transaction should KCN determine the transaction is being made for an improper or illegal purpose.
 - c. KCN will provide Client with daily payment information by way of the KCN Client interface.
 - d. KCN will be responsible for responding to and resolving inquiries and complaints from senders of funds arising out of KCN's failure to timely transmit any payment to Client.
 - e. KCN will provide sufficient promotional material to be posted by Client.
 - f. KCN, upon receipt of written notice from Client, shall place limitations on transactions. The limitations will be implemented by KCN as soon as is reasonably practicable.
 - g. KCN may contract with a third-party service provider to remove cash from kiosks, to replace receipt paper and to assume responsibility for the funds until deposited into the designated bank account.
 - h. KCN shall comply with the E-Verify provisions of N.C.G.S. §143-133.3, as may hereafter be amended.
- 4. Responsibilities of Client.**

- a. Client will provide KCN with the required bank account information for transmission of an EFT. Client agrees to notify KCN, in writing, giving fourteen (14) days' notice, of any changes to the bank account information.
 - b. Client will, upon receipt of written documentation of overpayment, promptly, but in no event more than ten (10) business days, refund any overpayment made by KCN, for any reason. This is to include, but not be limited to, duplicate payments, payments refunded to customers by KCN and any incorrect payments. At KCN's sole option and in lieu of the foregoing, KCN may offset any such overpayments from future payment amounts transmitted by KCN to Client and notify Client of any such offset.
 - c. Upon implementation of the Services, Client agrees that it will not accept payments designated for recipient accounts. Client will close any window or other collection method currently used to accept payments within sixty (60) days of kiosk implementation.
 - d. Client will promptly report receipt of each payment to the designated account or recipient in accordance with the Client's policy.
 - e. Client agrees that it shall, to the full extent allowed by law, assume all liability, responsibility and risk of loss associated with its breach of this Agreement and/or its negligence in the performance of its duties hereunder.
 - f. KCN will provide all labor necessary for and will guarantee the workmanship of the installation of a lobby kiosk including, but not limited to, material handling within the facility and all costs associated with the networking, internet connectivity and electrical enhancements required to install a kiosk at the Client's location.
 - g. Client agrees that KCN may determine, in its sole discretion, to suspend, terminate or place restrictions on one or more individual's ability to use the Services.
- 5. Effective Date/Term.** This Agreement shall become effective as of the date last executed by both the Client and KCN and shall continue in effect for a term of five (5) years, unless sooner terminated as provided for herein. This Agreement shall thereafter renew automatically for one (1) year terms until written notice of termination is provided by either party at least thirty (30) days prior to the expiration of the Agreement, or any renewal term thereof.
- 6. Rates.** The Services shall be provided at no cost to Client. KCN shall charge persons initiating a Transaction a service fee in accordance with its rate schedule which the Client acknowledges may be amended by KCN in its sole discretion from time to time.
- 7. Exclusivity.** KCN has the exclusive right to provide the Services for the Client and the exclusive right to collect and receive money handling fees associated with the Services which fees will belong to KCN.
- 8. Termination.** This Agreement may be immediately terminated by either Party, in its sole discretion, in the event Party has not cured a breach of this Agreement within thirty (30) days of written notice of such purported breach from the non-terminating Party. Termination of this Agreement does not affect either Party's rights or obligations as to any transaction submitted for processing prior to termination.
- 9. Refunds/Chargebacks.**
- a. The Parties acknowledge that once KCN accepts a transaction submitted to the applicable payment network or otherwise for processing, KCN cannot cancel or change the transaction. Except to the extent required by applicable law, payments processed by KCN are non-refundable to the individual by KCN. Individuals may have additional refund or chargeback rights under their cardholder agreement with the card issuer or applicable law.
 - b. In the case of chargebacks or returned funds, KCN will be responsible for pursuing the chargeback through the card association's dispute resolution processes, if appropriate in KCN's sole discretion. Upon written request from KCN, Client agrees to provide requested information needed to pursue the chargeback.
 - c. If an individual requests a refund, KCN will not be responsible for making those funds available if they have been already settled to a designated account by KCN or are beyond KCN's control.

- d. If Client and sender of funds issue inconsistent instructions or requests to KCN, Client's instructions will control and Client will reimburse, defend, indemnify and hold KCN harmless from any and all losses, costs and expenses (including reasonable attorneys' fees) as a result of complying with Client's instructions.
- 10. Indemnification.** Each Party (the "**Indemnifying Party**") agrees to reimburse, defend, indemnify and hold harmless the other Party and its parents, subsidiaries and affiliates, and their respective shareholders, owners, directors, officers, members, managers, employees, agents, successors and assigns (collectively, the "**Indemnified Party**") from and against all losses, claims, damages, actions, suits, proceedings or judgments, including costs, expenses and reasonable attorneys' fees assessed against or otherwise incurred by the Indemnified Party arising, in whole or in part, from (a) the Indemnifying Party's negligent acts or omissions, and/or willful misconduct; (b) a material breach of this Agreement by Indemnifying Party; or (c) a violation of any applicable laws, rules, regulations or ordinances by the Indemnifying Party. Indemnification provided in this Section does not apply to any claim or complaint to the extent caused by a Party's own negligence or willful misconduct. This Section survives termination of this Agreement.
- 11. Limitation of Liability; No Other Warranty.** OTHER THAN KCN'S OBLIGATION FOR ANY FUNDS RECEIVED FROM INDIVIDUALS, IN NO EVENT SHALL KCN'S AGGREGATE LIABILITY IN TOTAL FOR ALL CLAIMS ARISING FROM OR RELATING TO THIS AGREEMENT EXCEED THE AMOUNT OF SERVICE FEES PAID TO KCN FOR THE TRANSACTIONS RELATING TO THE CLAIM. THE FOREGOING LIMITATION APPLIES REGARDLESS OF THE NATURE OF THE CLAIM OR THE FORM OF THE ACTION EMPLOYED, WHETHER IN CONTRACT, WARRANTY, TORT OR OTHERWISE. IN NO EVENT WILL KCN BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST INCOME OR LOST REVENUE WHETHER BASED IN CONTRACT, TORT, OR ANY OTHER THEORY. THE SERVICES ARE PROVIDED "AS IS." EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, OR IMPLIED WARRANTIES ARISING FROM THE COURSE OF DEALING OR COURSE OF PERFORMANCE.

12. Notice.

To KCN: Keefe Commissary Network, LLC
 Attn: Business Manager
 10880 Lin Page Place
 St. Louis, MO 63132
 Email: jshoemake@keefegroup.com

To Client: Lincoln County Sheriff's Office
 Attn: Sheriff Lincoln County
 700 John Howell Memorial Drive
 Lincolnton, NC 28093

This Agreement constitutes the entire agreement between the parties with respect to the Services provided hereunder and supersedes all prior proposals and agreements, both written and oral, and all other communications between the parties.

ACKNOWLEDGED AND AGREED TO:

By signing this form, each party accepts the terms set forth herein:

CLIENT

KEEFE COMMISSARY NETWORK, LLC

By:_____

By:_____

Name:_____

Name:_____

Title:_____

Title:_____

Date:_____

Date:_____

**Inmate Telephone Service and
Video Visitation Proposal
Presented to
Lincoln County, North Carolina**

Revised May 7, 2019



Pay Tel Communications, Inc.
4230 Beechwood Drive
Greensboro, NC 27410

1-866-729-8352 ext. 334
Megan Hurley, Regional Account Manager

Rick Lubbehusen, Vice President Sales & Marketing
1-866-729-8352 x325

SERVICES AND TECHNOLOGY PROPOSED

- Continuation of Inmate Telephone Service using Pay Tel's **CenturionITS™** Platform
 - Collect, Prepaid Collect and Debit Calling
 - Reasonably priced, commissionable single call option
 - PIN feature and Debit calling option made possible through integration with JMS and Commissary vendors
 - Growing list of Investigative Tools, including **inteleTRACK™** Alerts, **inteleLINKS™** dynamic data mining tool, and more
 - Specialized reporting to identify possible inmate-to-inmate communications
- Guaranteed upgrades as new features are released.
- **Rise4Me™** - A web-based portal designed to share re-entry resources for released inmates and their families – Offered free of charge
- **Pay Tel's inteleVISIT™** Video Visitation Solution provided for on-site and remote visitation.
 - Option to provide inmate access to video visitation via up to 6 in-pod kiosks
 - Free Video Visitation for on-site visitors from 3 proposed lobby kiosks
 - No cost to Lincoln County provided that remote visitation is activated
 - Affordable per minute rates for remote visits: \$.30 per minute

FINANCIAL OFFER

Pay Tel is pleased to offer the following terms for the new contract with Lincoln County:

- Three Year Contract extension from current expiration date
- On-Going Compensation – effective upon signing:
 - 45% Commission on Phone Revenue (Local, IntraLATA, InterLATA and International) effective the first full month following addendum signature
 - 20% Commission on Remote Video Visitation Revenue

RISE4ME™ REENTRY RESOURCE PROGRAM PROPOSAL

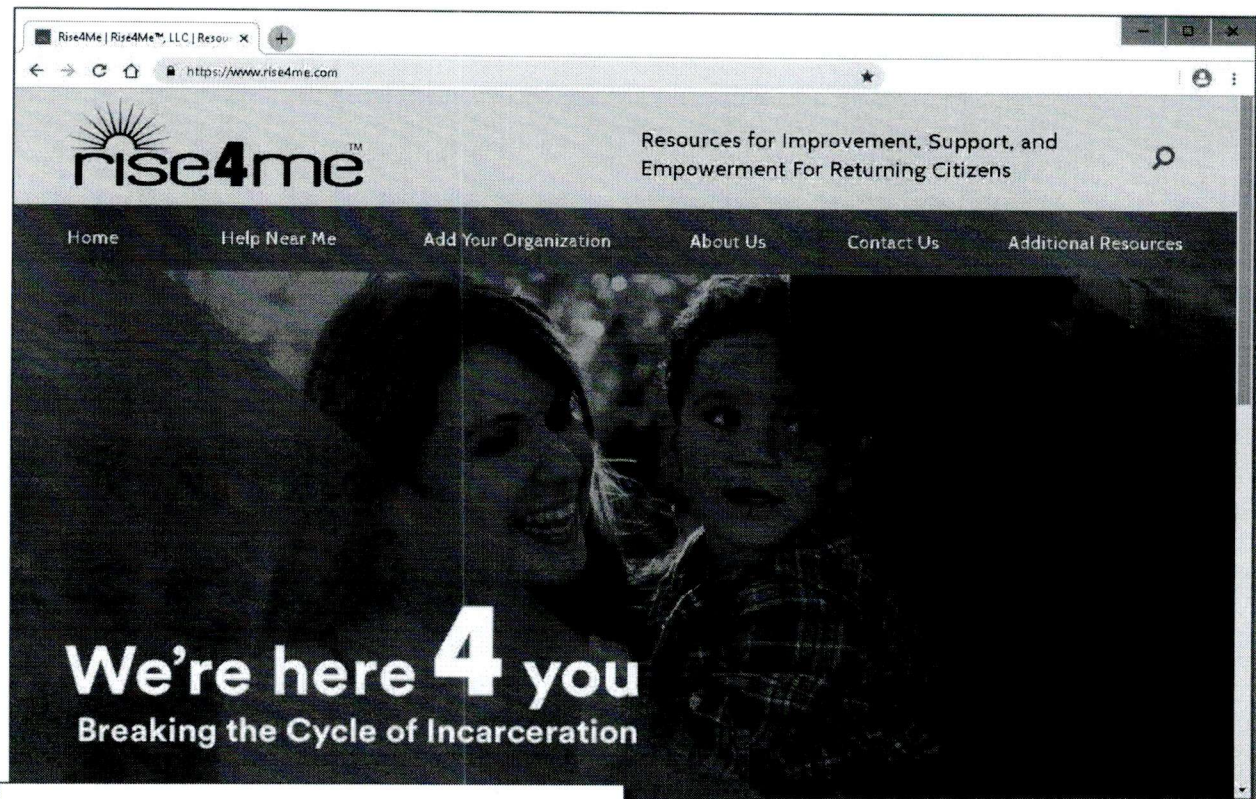


Rise4Me™ is a public service offered by Pay Tel Communications that is solely dedicated to providing returning citizens and their families with information about resources to aid in the successful reentry into society. Rise4Me™ resources will be hand-picked to meet the needs of Lincoln County for current and former inmates, friends and family. Rise4Me™ can function as an independent service or as a beneficial supplement to established Lincoln County reentry efforts.

The Rise4Me™ website provides Resources for the Improvement, Support and Empowerment for returning citizens. On the Help Near Me page a special drop-down will be prepared in coordination with Lincoln County. The Additional Resources page includes multiple regional, state and national programs and services available to help returning citizens.

Key benefits include:

- Compile and share reentry resources for Lincoln County Public and Faith-based Organizations
- Build community support for reentry
- Assist in reducing recidivism
- Outreach to public, returning citizens, and their families
- No cost to Lincoln County, agencies or families
- Comprehensive program designed to communicate program availability to community, released inmates, friends and family
 - Lobby posters
 - Tri-fold brochure for friends and family
 - Wallet cards provided to inmates upon release
 - Press release template
 - Social media release template



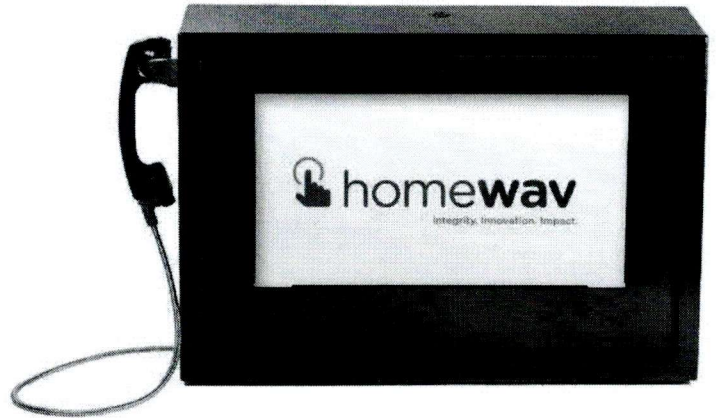
Pay Tel will provide Lincoln County with posters and brochures for your lobby/visitation areas and wallet cards that can be provided to inmates upon release.



VIDEO VISITATION OPTION



Pay Tel offers a robust video visitation solution through our technology partner, HomeWAV. This effective product offers proven technology, time-saving benefits, and security. The proposed technology provides free on-site visits through a small number of lobby kiosks and remote paid visits as well. Remote visits are conducted with the inmates visiting via in-pod units and visitors calling from the comfort of their own homes, or via a convenient app which can be used on most cell phones and tablets. Remote visits are offered at a reasonable cost to the consumer based on the duration of the visit.



- Convenient visitation payment processing through PayPal.
- Free app for Android and Apple mobile devices
- No rigid visitation schedule to maintain
- Option to use kiosks to share inmate handbook, rules, etc.
- Remote visitation reduces the need to move inmates for visits
- Remote visits provide improved environment for visitation with children

inteleVISIT™ also provides the following important management features:

- Recording of Video Visits
- Ability to Monitor Visits in Progress
- Visit Search and Playback
- Downloadable Recordings
- Recording Exception for Professional Visits
- Usage Statistics
- Flexible Reporting Options
- Option to Pre-approve Visits/Visitors
- Password Protected Administrative Access



Product Sheet

HomePAS™ 20 Kiosk (POE+)

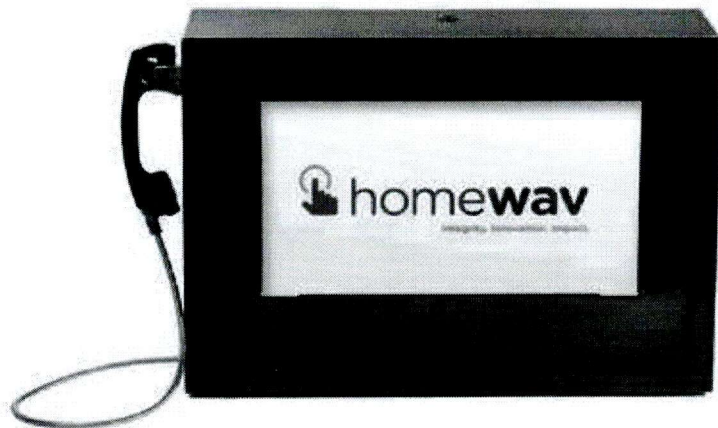
The *NEW* HomePAS™ Kiosk (POE+) will be the last touch point system you will ever need. The removable insert design allows for easy equipment upgrade without ever having to replace the enclosure. It features a unique ability to have a plus sized, HD monitor, while still offering the option of power over ethernet to save project costs.

Hardware

- 19.5-inch HD+ (1600 x 900) Truelife LED-Backlit Touch Display
- HD Webcam
- 14 Gauge Detention Grade Steel w/ Glossed Powder Coat
- Tamper Proof Inset Front Face Plate
- Sloped Top
- Supports Dual Handsets
- Stainless Steel Cable
- Steel lanyards with Polycarbonate coating for extra protection
- 65 Watt AC Adaptor (POE+ Compatible)
- 17.646 in (H) x 24.0 in (W) x 6.1 in (D)
- 33.52 lb

Software

- **Platform:** MasterPAS™
- **Browser:** Google™ Chrome 48
- **Lockdown:** Kioware™ 8.3
- **Remote Desktop:** TeamViewer™ 10



HomeWAV Difference

HomeWAV's unique, patent pending, visitation system provides Internet-based video visitation adapted for use in the context of a Detention Facility. So what is the difference between HomeWAV's system and those of competitors?

HomeWAV Visitation System	Alternatives
Inmate initiates visit direct with approved visitor – no operator assistance required	Other internet visitation systems require detention facility personnel to act as "operator" to connect the visit and to ensure inmate is placed at correct inmate station
Inmate and visitor schedule visits directly – no operator assistance required	Other internet visitation systems require detention facility personnel to coordinate scheduling
Visits take place as soon as both parties desire	Other visitation systems require minimum 24 hour (up to 2 weeks) advanced scheduling
No more missed visits because of rigid pre-set schedule	Advanced scheduling demands lead to missed visits due to intervening events causing frustration to all concerned
Detention facility owns equipment from day one	Competitors retain ownership of their equipment
System usage revenue shared with facility monthly – starting first month	Other visitation systems either generate no revenue, less revenue, or revenue sharing is deferred
HomeWAV inmate stations placed in common area/day rooms	Face-to-face visits require detention facility personnel to frisk inmates as they are transported between cell block and visitation room
No minimum length visit – can be as short as one minute	Competitors internet visitation systems require minimum visit length
All payments process through PayPal/third party ecommerce	Detention facility personnel required to collect and administer funds
Internet visitation reduces number of visitors entering your facility (experience shows 75% reduction)	Visitors entering facilities generate tremendous demands on detention facility personnel for processing
HomeWAV system maintained free of charge for term of contract – 5 years	Competitors charge to maintain their systems

**INMATE TELECOMMUNICATIONS AGREEMENT
ADDENDUM NUMBER 3**

This Addendum, entered into the _____ of _____, 2019, between Lincoln County Jail and the Sheriff of Lincoln County ("Sheriff") of the one part and Pay Tel Communications, Inc. ("Pay Tel") of the other part modifies the Inmate Telecommunications Agreement dated April 1, 1999 as modified by Addendum 1 dated January 31, 2005; Addendum 2 dated October 7, 2009; and the Regulatory Compliance Amendment dated February 3, 2014, hereafter referred to as the "Agreement".

For and in consideration of the mutual promised and covenants contained herein, Pay Tel and Customer hereby agree to modify the Agreement as follows:

1. **3.0 TERM.** The current term ending September 28, 2020 will be extended three (3) years, to and including September 28, 2023. At the end of the then current term, this Agreement shall be automatically renewed for five (5) years unless written notice of intent to terminate is given by either party no more than 120 days and not less than 60 days prior to the expiration of the then current term. Such notice shall be given in strict conformance with Paragraph 8.1 of the Agreement.
2. **4.1 COMMISSIONS.** Section 4.1 is hereby replaced with the following:
Each month, Pay Tel will pay forty-five percent (45%) of the local, intraLATA, interLATA and international collect, prepaid collect and debit call revenue. The new commission percentage will become effective in the first full month following execution of this Addendum. Pay Tel will also pay twenty percent (20%) on remote video visitation revenue upon commencement of video visitation services.
3. **5.0 EQUIPMENT AND SERVICES PROVIDED by PAY TEL.**

The following section is hereby added to the Agreement:

5.9 This section is hereby expanded to include the provision of **inteleVISIT™** video visitation for inmates. The equipment will be provided, installed and maintained by Pay Tel as detailed in Attachment A to this Addendum.

All other Agreement terms shall remain unchanged.

LINCOLN COUNTY JAIL
SHERIFF OF LINCOLN COUNTY, NC

PAY TEL COMMUNICATIONS, INC.

By: _____

By: _____

By: _____ (Printed)
Authorized Agent for Sheriff

By: Vincent Townsend (Printed)
President, Pay Tel Communications, Inc.

Date: _____

Date: _____

Attest: _____

Attest: _____

INMATE TELECOMMUNICATIONS AGREEMENT

ADDENDUM NUMBER 3

ATTACHMENT A – inteleVISIT™

TERMS

- Pay Tel's inteleVISIT™ Video Visitation solution provided at no cost to Sheriff.
- inteleVISIT™ requires the activation of remote visitation.

Video Visitation Project includes:

- up to 3 inteleVISIT™ Lobby kiosks for on-site visits
- Inmate Access to be provided either by up to 6 inteleVISIT™ Inmate Kiosks (Up to 2 in Pod A, 1 each in Pods B through E)
- Pay Tel will perform the installation and training.
- Pay Tel will install necessary kiosk wiring
- Pay Tel will order and provision the internet bandwidth necessary
- Pay Tel will coordinate the delivery, installation and training schedule with Sheriff.
- Pay Tel will not be responsible for providing video arraignment; Sheriff will continue to use existing or alternate equipment for this purpose

Remote Visitation Revenue Share

Service	Rate to Consumer	Revenue Share
inteleVISIT™ On-site Visitation	NONE	N/A
inteleVISIT™ Remote Visitation	\$.30 per minute	20% Remote Visitation Share
inteleVISIT™ Video Message	\$.60 per video message	N/A

KEEFE COMMISSARY NETWORK, LLC
COMMISSARY SERVICES AGREEMENT

This Agreement ("Agreement") is made by and between KEEFE COMMISSARY NETWORK, LLC ("Keefe"), and the LINCOLN COUNTY SHERIFF'S OFFICE, located at 700 John Howell Memorial Drive, Lincolnton, NC 28093 ("Customer") (collectively, the "Parties").

Keefe is in the business of supplying food and other related commissary items and services to inmate commissary departments of correctional facilities throughout the United States, including the Customer; and,

The Parties wish to enter into a Commissary Services Agreement to facilitate the ordering of commissary items by inmates and the operation of and payment for commissary (collectively, "Commissary Services").

Therefore, in consideration of the mutual promises and conditions herein contained, the Parties agree as follows:

1. **OPERATION OF COMMISSARY BY CUSTOMER.** Customer agrees that during the term of this Agreement, it will, at its own expense: (a) provide personnel to operate the computer equipment, as listed in Exhibit A ("Computer Equipment") and the Keefe proprietary software, as also listed in Exhibit A ("Keefe Software"); (b) manage and reconcile the funds in the Inmate Trust Accounts, and (c) deliver the completed commissary orders to the individual inmates.

1.1 **OPERATION OF COMMISSARY BY KEEFE.** Keefe agrees that, on an as-needed basis, it will download all inmate orders for commissary items. Keefe will bag, box, and ship such commissary items to the Customer for distribution to the inmates and invoice Customer for all such purchases in accordance with Section 3.0. In addition, Keefe will keep the Computer Equipment updated with complete information as to commissary items available, pricing, and other terms and conditions of sale.

2. **HARDWARE/SOFTWARE.** During the term of this Agreement, Keefe shall supply Customer with the Computer Equipment and Keefe Software as listed in **Exhibit A**. Customer agrees to return all Computer Equipment and Keefe Software to Keefe in workable order upon contract termination. Keefe hereby grants to Customer a non-exclusive, royalty-free license to use the Keefe Software during the term of this Agreement. All software supplied by Keefe is proprietary and shall at all times remain the property of Keefe with title and all rights vested in and retained by Keefe. Customer hereby agrees that it will NOT disclose, reproduce, transfer, alter, reverse-engineer, decompile or use the Keefe Software and/or documentation for any purpose, other than those specifically allowed by the terms of this Agreement. All hardware installed by Keefe shall remain the property of Keefe unless otherwise expressly agreed to by the Parties in writing.

3. **PAYMENT.** Keefe will invoice Customer on a monthly basis, or as otherwise agreed to, for all commissary items purchased. Customer shall pay such invoices in accordance with Keefe's standard credit terms (NET 30 DAYS).

4. **COMMISSION.** Customer will be paid a commission for the services to be provided under this Agreement equal to **35%** of Adjusted Gross Sales of commissary items. "Adjusted Gross Sales" is defined as gross sales minus the sales of noncommissioned items as listed in **Exhibit B** of this Agreement. In the event that the inmate's trust account funds available to purchase commissary products are inhibited in any way by a change in policy or law, the commission paid to Customer shall be reduced accordingly by Keefe after negotiation with Customer.

5. **MENU.** Commissary item selection and pricing will be agreed upon by Customer and Keefe. Commissary item menu selection and price adjustments shall be reviewed as needed, but no less than annually, by Keefe. All changes must be approved by Customer.

6. **VENDING SERVICES.** Keefe shall provide Customer with five (5) vending machines that shall be placed at locations that are mutually agreed upon by the Parties. Keefe shall stock the vending machines with items, at prices, that are agreed upon by the Parties in writing. Keefe shall maintain the vending machines and all associated software needed to operate the machines. Customer will be paid a commission for the provision of this service in accordance with the terms and conditions of Section 4. All vending hardware and software shall remain the property of Keefe unless otherwise expressly agreed to by the Parties in writing.

7. **DEPOSIT SERVICES.** This Agreement includes Keefe's Access Corrections® Secure Deposit Services, which is memorialized through a separate Payment Services Agreement that is incorporated by reference herein. Keefe will facilitate deposits to Inmate Trust Accounts via website, toll-free phone number, walk-in provider(s) and/or deposit kiosk(s) placed in a mutually agreeable site(s) within Customer's facility. Customer will provide electrical power and network connectivity for the kiosk(s) at Customer's own expense. Keefe will guarantee all deposits and will send, via ACH, monies to the Customer designated bank account in accordance with the terms and conditions of the Payment Services Agreement. Except as provided for herein, no fees for this service will be borne by Customer.

8. **SECURE RELEASE SERVICE.** This Agreement includes Keefe's Secure Release™ Service, which is memorialized through a separate Secure Release Prepaid Inmate Debit Card Release Agreement that is incorporated by reference herein. Except as provided for herein, no fees for this service will be borne by Customer.

9. **VIDEO VISITATION SYSTEM.** This Agreement includes the Video Visitation System ("VVS") Service. Keefe shall provide all hardware and software through which inmates and visitors may communicate. The VVS hardware will consist of eight (8) terminals which will be installed and maintained by Keefe and/or its affiliate Inmate Calling Solutions, L.L.C. Keefe shall pay Customer a revenue share of 35% on all "Adjusted Gross Revenue" generated by the VVS. Adjusted Gross Revenue consists of all revenue received by Keefe for its provision of the VVS Service pursuant to this Agreement. Notwithstanding the foregoing, Adjusted Gross

Revenue does not include the following items: (1) a "Free" video visitation session defined as a video visitation session not generating any revenue or compensation for Keefe; (2) any and all regulatory charges, taxes and fees that are paid by the visitor and/or inmate and then remitted by Keefe to a governmental agency; and (3) all fees charged to the inmate and/or visitor which are subsequently refunded. All VVS hardware and software shall remain the property of Keefe unless otherwise expressly agreed to by the Parties in writing.

10. **COMMISSARY/VENDING IDENTIFICATION BANDS.** Keefe shall supply Customer with inmate identification bands. These bands are designed to be worn by inmates around their wrists. Each band is uniquely assigned to a specific inmate, and functions as a means of identifying the inmate and interfacing with his/her Inmate Trust Account for the purpose of purchasing commissary and vending items. Except as provided for herein, no fees for this service will be borne by Customer.

11. **TERM & TERMINATION.** This Agreement shall become effective as of the day of 20 , and shall continue in effect for a period of five (5) years (the "Base Term"). The Agreement will automatically renew for successive one-year terms thereafter, unless either party to this Agreement gives notice in writing to the other party no less than ninety (90) days prior to the expiration of any term or extended term that the party so giving notice does not wish to extend this Agreement. If either party shall refuse, fail or be unable to perform or observe any of the terms or conditions of this Agreement for any reason other than Excused Performance reasons defined herein, the party claiming such failure shall give the other party a written notice of such breach. If within thirty (30) days from such notice the failure has not been corrected, or the failure is such that it may not be cured within thirty (30) days and the party in breach has not commenced the cure within thirty (30) days and continuously pursued the cure, then the injured party may cancel the Agreement. Within thirty (30) days after termination of this Agreement, Customer shall, at Keefe's option, return all Computer Equipment and Keefe Software and certify such removal and return in writing to Keefe. All monies due the Parties at the time of termination shall be paid to the respective party within thirty (30) days after the effective date of the termination of services.

12. **EXCUSED PERFORMANCE.** In case performance of any term or provision herein (other than payment of money) shall be delayed or prevented because of compliance with any law, decree or order of any governmental agency or authority, either local, state, federal, or because of riots, war, public disturbances, strikes, lockouts, differences with workmen, fires, floods, Acts of God, or any other reason whatsoever that is not within the control of the party whose performance is interfered with and which, by the exercise of reasonable diligence said party is unable to prevent, the party so suffering may at its option suspend, without liability, the performance of its obligations hereunder during the period such cause continues, and extend the term of this Agreement for the period of such suspension of the performance of duties thereunder.

13. **CUSTOMER'S RESPONSIBILITIES.** Customer shall promptly notify Keefe of any changes in Customer's hardware systems, software or operating procedures that interact in any fashion with Keefe's supplied hardware, software or its operating procedures. Customer shall not, during the term of this Agreement nor for one (1) year following its termination or

expiration, solicit to hire, hire, or contract with any employee or former employee of Keefe, Trinity Services Group, Inc. or any of their subsidiaries. In the event that Customer breaches its covenant not to hire an employee or former employee, Keefe shall be entitled to a court order enjoining the employment by Customer of said former employee.

14. **GOVERNING LAW.** Both parties to this Agreement irrevocably: (i) consent and submit exclusively to the jurisdiction of the courts of the State of North Carolina, County of Lincoln, or if it has or can acquire jurisdiction, the United States District Court for the Western District of North Carolina, (ii) and agree that this Agreement shall be governed by, interpreted and construed in accordance with, the laws of the State of North Carolina, without regard to any conflicts of law.

15. **ENTIRE AGREEMENT-WAIVER.** This Agreement and its Exhibits constitute the entire Agreement between the Parties with respect to the provision of Commissary (and Deposit, where applicable) Services, and there are no other or further written or oral understandings or agreements with respect thereto. No variation or modification of the Agreement and no waiver of any provision shall be valid unless in writing and signed by the duly authorized Officers of both Keefe and Customer. This Agreement supersedes all other agreements, negotiations, conversations and representations between the Parties for the provision of Commissary (and Deposit, where applicable) Services.

16. **ASSIGNMENT.** Except in the case of a merger, reorganization, change in control, or sale of all or substantially all assets or equity, neither Party shall have the right to assign or otherwise transfer its rights and obligations under this Agreement except with the prior written consent of the other Party, which shall not be unreasonably withheld or delayed.

17. **INDEMNIFICATION.** Keefe shall indemnify Customer against any claim, action, suit, demand, damage, liability, loss, or judgment, including reasonable attorney's fees and costs, which arise out of, relate to or result from Keefe's negligent performance of its obligations under this Agreement, except to the extent such claims, actions, suits, demands, damages, liabilities, losses or judgments are due to the negligent or unlawful conduct, or the willful misconduct of Customer, its agents or employees. Customer shall indemnify Keefe against any claim, action, suit, demand, damage, liability, loss or judgment, including reasonable attorney's fees and costs, which arise out of, relate to or result from Customer's negligent, intentional or willful acts or omissions, except to the extent such claims, actions, suits, demands, damages, liabilities, losses or judgments are due to the negligent or unlawful conduct, or the willful misconduct of Keefe. Each party agrees to provide the other party with reasonable and timely notice of any claim, action, suit, demand, damage, liability, loss or judgment made or brought against the other party arising out of or relating to the Agreement and for which the notifying party is seeking indemnification hereunder. The indemnifying party shall have the right to defend any such claim at its sole cost and expense. Each party will promptly advise the other party of any proposed agreement to compromise or settle any claims and the other party will have ten (10) days to respond to such proposal. These indemnities and remedies shall survive the expiration or other termination of the Agreement.

18. **LIMITATION OF LIABILITY.** NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, NEITHER PARTY SHALL BE LIABLE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, FOR ANY PUNITIVE, SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, LIQUIDATED OR EXEMPLARY DAMAGES (INCLUDING LOST PROFIT OR BUSINESS INTERRUPTION EVEN IF NOTIFIED IN ADVANCE OF SUCH POSSIBILITY) ARISING OUT OF OR PERTAINING TO THE SUBJECT MATTER OF THIS AGREEMENT OR OUT OF ANY OF THE PRODUCTS OR SERVICES PROVIDED UNDER THIS AGREEMENT.

19. **RELATIONSHIP OF THE PARTIES.** Each Party is an independent contractor and is not an employee, employer, agent, partner, joint venture or joint employer of or with the other Party. Nothing in this Agreement shall be construed to give either Party: (a) the power to direct or control the day-to-day activities of the other, (b) the power to create or assume any obligation on behalf of the other, or (c) the power to bind the other in any manner whatsoever.

20. **CONSENT.** Where the consent of either party is required, it shall not be unreasonably withheld or delayed.

21. **CONFIDENTIALITY.** "Confidential Information" includes any non-public, confidential or proprietary information furnished by a Party (the "Disclosing Party") to the other Party (the "Receiving Party"), including, but not limited to, information relating to the Disclosing Party's business, product designs, product plans, data, software and technology, financial information, marketing plans, business opportunities, pricing information, discounts, inventions and know-how. Confidential Information does not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure by the Receiving Party in violation of this Agreement, (ii) was in the Receiving Party's possession prior to the disclosure of the Confidential Information pursuant to this Agreement without an obligation of confidentiality, (iii) becomes available to the Receiving Party on a non-confidential basis from a third party, provided that the Receiving Party did not know, or have reason to believe, after reasonable investigation, that such source was subject to an obligation not to disclose such information, and/or (iv) is required to be disclosed by any applicable law or regulation or by order of any governing body or court of competent jurisdiction; provided, however, the Receiving Party must promptly notify the Disclosing Party of the demand for such disclosure so that the Disclosing Party may, in its sole discretion, seek a protective order or take such other appropriate steps to resist or narrow the scope of the disclosure sought by such request. If a protective order or other remedy is not obtained, the Receiving Party may make such disclosure without liability under this Agreement, provided that the Receiving Party furnish only that portion of the Confidential Information which is legally required to be disclosed.

22. **EXCLUSIVITY.** Customer hereby agrees that KCN has the exclusive right to provide the Commissary Services for Customer.

23. **NOTICES.** All notices to be given under this Agreement shall be in writing and served either personally, by deposit with an overnight courier with charges prepaid, or by deposit in the US mail, first-class postage prepaid by registered or certified mail, addressed to the parties at the addresses stated on the signature page, or at any other address as designated by one party

upon notice to the other party. All such notices shall be deemed to have been given (a) upon the first business day following personal delivery, (b) one business day after deposit with an overnight courier, or (c) three business days after deposit in the US mail.

24. **EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION.** The Parties warrant and represent that they shall comply with all federal, state and local laws as required, including but not limited to, Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and the Vietnam Era Veterans' Readjustment Act of 1974, as amended. The Parties hereby incorporate the requirements of 41 C.F.R. 60-1.4(a)(7), 60-250.5 and 60-741.5, if applicable.

25. **MISCELLANEOUS.** This Agreement may be executed in two or more counterparts, and each such counterpart and any copies thereof shall be deemed an original. The headings in this Agreement are intended solely for convenience and shall not affect the rights of the Parties under the Agreement. In the event any provision(s) of this Agreement is in conflict with any law, statutory provision or otherwise, such term(s) shall be deemed stricken from this Agreement, but any such invalidity or unenforceability shall not invalidate any of the other terms of this Agreement, and the Agreement shall continue in full force and effect. This Agreement will apply to, be binding on, and inure to the benefit of the successors and permitted assigns of the Parties. Keefe shall comply with the E-Verify provisions of N.C.G.S. §143-133.3, as may hereafter be amended.

26. **AUTHORITY.** The undersigned representative of each Party warrants that he/she has the full authority to execute this Agreement and bind the Party on whose behalf he/she is executing the Agreement.

IN WITNESS WHEREOF, the Parties have executed this Commissary Services Agreement as of the year and date written below.

Lincoln County Sheriff's Office

Keefe Commissary Network, LLC

By:

By:

Name: David Carpenter

Title: Sheriff Lincoln County

Date:

Address for Notice: 700 John Howell
Memorial Drive, Lincolnton, NC 28093

Name: John Puricelli

Title: Executive Vice President

Date:

Address for Notice:
10880 Lin Page Place, St. Louis, MO 63132

With a copy to:

General Counsel, TKC Holdings, Inc.
1260 Andes Blvd., St. Louis MO 63132

Exhibit A
Hardware / Software Featured

- **5 inmate pod kiosk**
- **1 lobby cashier**
- **1 booking cashier**
- **1 check printer**
- **1 smart card reader**

Exhibit B
Noncommissioned Items

Stamped envelopes

Postage stamps

Indigent Kits

Admission Kits

On-site, special commissary item sales sold by Customer

Returned/Refunded Items